

Republic of the Philippines
CENTRAL BOARD OF ASSESSMENT APPEALS
7th Floor, EDPC Bldg., BSP Complex,
Roxas Boulevard, Manila

NATIONAL POWER CORPORATION,
Petitioner-Appellant,

- versus -

LOCAL BOARD OF ASSESSMENT APPEALS
OF THE PROVINCE OF LA UNION,
Appellee,

CBAA CASE NO. L-32

- and -

MUNICIPAL ASSESSOR OF BAUANG,
LA UNION AND PROVINCIAL ASSESSOR
OF LA UNION,
Respondents-Appellees.

X ----- X

R E S O L U T I O N

This Board, on January 29, 2004, rendered a Decision in the above-entitled case the dispositive portion of which reads as follows:

“WHEREFORE, premises considered, the appeal is hereby dismissed for lack of merit. Accordingly, the Decision of the Local Board of Assessment Appeals of the Province of La Union become final and executory.”

Not satisfied, both the Bauang Private Power Corporation (BPPC), Appellant-in-Intervention herein, and the National Power Corporation (NPC or NAPOCOR), Petitioner-Appellant, filed separate Motions for Reconsideration: that of the BPPC being received by this Board on March 1, 2004; and that of the NPC, on March 12, 2004.

Alleging that it received a copy of this Board’s decision on February 16, 2004, BPPC states, as grounds for its motion, the following:

A.

THIS HONORABLE BOARD INCORRECTLY ADOPTED THE DICTIONARY MEANINGS OF THE TERMS “ACTUAL, DIRECT AND EXCLUSIVE USE” RATHER THAN THE INTERPRETATION GIVEN TO THESE TERMS BY LAW AND JURISPRUDENCE.

B.

THERE IS NO BASIS FOR THIS HONORABLE BOARD TO RULE THAT THE MACHINERY AND EQUIPMENT SUBJECT OF THE ASSESSMENT ARE NOT "ACTUALLY AND DIRECTLY USED" BY NAPOCOR.

NAPOCOR, on the other hand, while alleging that it received a copy of the questioned decision of this Board on February 27, 2004, based its motion on the following grounds:

I

PETITIONER-APPELLANT NPC IS THE BENEFICIAL OWNER AND THE ACTUAL, DIRECT AND EXCLUSIVE USER OF THE 215 MEGAWATT BAUANG DIESEL POWER PLANT.

II

PETITIONER-APPELLANT NPC'S REAL PROPERTY TAX EXEMPTION WAS NEVER WITHDRAWN BY THE LOCAL GOVERNMENT CODE.

III

THE RULE ON STRICT CONSTRUCTION ON TAX EXEMPTION DOES NOT APPLY AGAINST PETITIONER-APPELLANT NPC, A GOVERNMENT OWNED AND CONTROLLED CORPORATION.

IV

THE LOCAL GOVERNMENT CODE MUST BE CONSTRUED IN HARMONY WITH THE BOT LAW AND PETITIONER-APPELLANT NPC'S CHARTER.

V

PETITIONER-APPELLANT NPC NEED NOT BE ENGAGED BOTH IN GENERATION AND TRANSMISSION TO QUALIFY FOR REAL PROPERTY TAX EXEMPTION UNDER SEC. 234 (C) OF THE LOCAL GOVERNMENT CODE.

VI

THE AMOUNT OF REAL PROPERTY TAX BEING ASSESSED IS ERRONEOUS AND EXHORBITANT.

A perusal of the twin Motions for Reconsideration yields nothing new. All the issues and arguments advanced by both NPC and BPPC were addressed and thoroughly dealt with in the questioned decision of this Board. This Board finds no cogent reason to disturb such decision.

WHEREFORE, the instant Motions for Reconsideration are hereby DISMISSED for lack of merit.

SO ORDERED.

Manila, Philippines, October 20, 2004.

(Signed)
CESAR S. GUTIERREZ
Chairman

(Signed)
ANGEL P. PALOMARES
Member

(Signed)
RAFAEL O. CORTES
Member